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October 6, 2003

Mrs. Carol Washburn
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
Olympia, WA 98504-8002

Attention: Mr. Alan Rathbun

Subject: Service Area Expansion – West Richland (Cascade Project Number D0070667)

RECEIVED
RECORDS MANAGEMENT
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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Dear Mr. Rathbun:

Cascade Natural Gas Corporation, herein referred to as Cascade, is submitting an application to amend it's Certificate of Public Convenience and Necessity to Operate a Gas Plant for Hire, predominately in the City of West Richland and portions of Richland, both of which are located in Benton County, Washington. Cascade's request to extend our service area boundary into West Richland is initiated as the result of multiple developers highly interested in providing their residential developments with natural gas service. In support of this request is additional information, summarized below.

1. Application: Enclosed is a check in the amount of twenty-five dollars and a completed application form.
2. Applicants for Natural Gas Service: Cascade has offered natural gas service to various new developments in the area of West Richland contingent upon receiving this proposed Service Area Expansion request. Construction of the distribution system can begin immediately after receipt of all permits. It is anticipated that gas service could be available as early as December 2004.
3. Description of Project: The project will require the installation of approximately 18,924 feet of 6" steel wrapped high-pressure gas, main from Cascade's existing 8" high pressure line and Jericho Road, heading northwesterly along Keene Road to Belmont Road. About 4,980 feet of 6" polyethylene (PE) main, 1,740 feet of 4" PE main, and 47,300 of 2" PE main will be installed in the various developments over the next 10 years.
4. Economic Feasibility: Exhibit A-1 provides a summary of the estimated main distribution costs, financial feasibility and proposed distribution capacity. Cascade considers Exhibit A-1 to be valuable commercial information and respectfully requests protection and confidential treatment of them under Chapter 42.17 RCW, RCW 80.04.095 and WAC 480-09-015. The information for which confidential treatment is requested is clearly marked "CONFIDENTIAL" as required by 480-09-015, and is submitted in a separate envelope for ease of identification. Public disclosure of this valuable commercial information would

result in private loss, including an unfair competitive disadvantage. It would substantially and irreparably damage Cascade. Public disclosure of this information would severely compromise any future negotiations between Cascade and another party for this type of service.

5. Maps and Legal Descriptions: Enclosed are maps describing the new area requested to be included in Cascade's Certified Area.

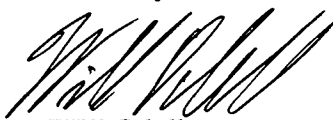
Exhibit B-1: New service area shaded in gray

Exhibit B-2: A legal description of the proposed expansion area and amended Appendix A-12 of Cascade's Certified Area incorporating the proposed expansion

6. West Richland and Richland Franchises: Individual copies of Cascade's current franchise in both West Richland (Exhibit C-1) and Richland (Exhibit C-2) are enclosed.
7. Loads beyond current proposed West Richland Development: This proposed Service Area Expansion includes 12 new developments within close proximity to each other and to the Keene Road corridor. Other new developments proposed within the city limits of West Richland requesting gas service will need to meet or exceed the requirements for extension of facilities outlined in Rule 8.

Cascade personnel are available to provide additional information regarding this application or to conduct an on site field review of the new service area with WUTC representatives. If there are any additional questions or comments, please contact Kevin Raschkow at (206) 381-6844.

Sincerely,



Will Odell
Chief Operating Officer
Cascade Natural Gas Corporation